

AMENDED IN ASSEMBLY APRIL 14, 2009

CALIFORNIA LEGISLATURE—2009—10 REGULAR SESSION

ASSEMBLY BILL

No. 294

Introduced by Assembly Member Anderson

February 17, 2009

~~An act relating to corporations. An act to add and repeal Sections 17207.6 and 24347.6 of the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy.~~

LEGISLATIVE COUNSEL'S DIGEST

AB 294, as amended, Anderson. ~~Corporations: penalties.~~ *Income and corporation taxes: deductions: defensible space.*

The Personal Income Tax Law and Corporation Tax Law authorize various deductions in computing the income that is subject to the taxes imposed by those laws.

This bill would allow for taxable years beginning on or after January 1, 2009, and before January 1, 2013, a deduction under those laws for the qualified costs paid or incurred during the taxable year by a qualified taxpayer to create a defensible space, as defined, around a qualified property, as defined, by removing all brush, flammable vegetation, and combustible growth within 100 feet of certain structures on that property.

This bill would take effect immediately as a tax levy.

~~Existing law specifies conduct required of, or prohibited by, a corporation and its officers and directors, and imposes specified penalties for a violation of those requirements.~~

~~This bill would declare the intent of the Legislature to amend those provisions.~~

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~-yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 17207.6 is added to the Revenue and
2 Taxation Code, to read:
3 17207.6. (a) For each taxable year beginning on or after
4 January 1, 2009, and before January 1, 2013, there shall be
5 allowed as a deduction an amount equal to the qualified costs paid
6 or incurred by a qualified taxpayer to create a defensible space
7 during the taxable year. The deduction shall not exceed five
8 hundred dollars (\$500) for each qualified property.
9 (b) For the purposes of this section, the following definitions
10 shall apply:
11 (1) "Defensible space" means that area created by removing
12 all brush, flammable vegetation, and combustible growth that is
13 located within 100 feet from the structural components of a
14 dwelling located on a qualified property.
15 (2) "Dwelling" has the same meaning as described in Section
16 704.710 of the Code of Civil Procedure, but does not include a
17 boat or other waterborne vessel.
18 (3) "Fire department" means the local fire department that has
19 jurisdiction over the qualified property.
20 (4) "Licensed contractor" means a contractor with an active
21 license issued by the Contractors' State License Board.
22 (5) "Qualified costs" means 25 percent of the costs paid or
23 incurred by a qualified taxpayer for labor and services performed
24 by a licensed contractor to create a defensible space around a
25 qualified property, which costs are evidenced by records and
26 documents including, but not limited to, a written certification.
27 (6) "Qualified property" means dwelling located in California.
28 (7) "Qualified taxpayer" means taxpayer who owns qualified
29 property.
30 (8) "Written certification" means a written evaluation by the
31 fire department that certifies the establishment of defensible space,
32 provided that the certification shall be obtained within 30 days
33 after completion of the work establishing the defensible space. The
34 taxpayer shall retain a copy of the certification and provide it to
35 the Franchise Tax Board upon request.

1 (c) A deduction shall not be allowed under this section unless
2 a qualified taxpayer provides a written certification upon request
3 to the Franchise Tax Board.

4 (d) Any deduction otherwise allowed under this part for qualified
5 costs shall not be reduced by the amount of the deduction allowed
6 under this section.

7 (e) This section shall remain in effect only until December 1,
8 2013, and as of that date is repealed.

9 SEC. 2. Section 24347.6 is added to the Revenue and Taxation
10 Code, to read:

11 24347.6. (a) For each taxable year beginning on or after
12 January 1, 2009, and before January 1, 2013, there shall be
13 allowed as a deduction an amount equal to the qualified costs paid
14 or incurred by a qualified taxpayer to create a defensible space
15 during the taxable year. The deduction shall not exceed five
16 hundred dollars (\$500) for each qualified property.

17 (b) For the purposes of this section, the following definitions
18 shall apply:

19 (1) "Defensible space" means that area created by removing
20 all brush, flammable vegetation, and combustible growth that is
21 located within 100 feet from the structural components of a
22 dwelling located on a qualified property.

23 (2) "Dwelling" has the same meaning as described in Section
24 704.710 of the Code of Civil Procedure, but does not include a
25 boat or other waterborne vessel.

26 (3) "Fire department" means the local fire department that has
27 jurisdiction over the qualified property.

28 (4) "Licensed contractor" means a contractor with an active
29 license issued by the Contractors' State License Board.

30 (5) "Qualified costs" means 25 percent of the costs paid or
31 incurred by a qualified taxpayer for labor and services performed
32 by a licensed contractor to create a defensible space around a
33 qualified property, which costs are evidenced by records and
34 documents including, but not limited to, a written certification.

35 (6) "Qualified property" means dwelling located in California.

36 (7) "Qualified taxpayer" means taxpayer who owns qualified
37 property.

38 (8) "Written certification" means a written evaluation by the
39 fire department that certifies the establishment of defensible space,
40 provided that the certification shall be obtained within 30 days

1 after completion of the work establishing the defensible space. The
2 taxpayer shall retain a copy of the certification and provide it to
3 the Franchise Tax Board upon request.

4 (c) A deduction shall not be allowed under this section unless
5 a qualified taxpayer provides a written certification upon request
6 to the Franchise Tax Board.

7 (d) Any deduction otherwise allowed under this part for qualified
8 costs shall not be reduced by the amount of the deduction allowed
9 under this section.

10 (e) This section shall remain in effect only until December 1,
11 2013, and as of that date is repealed.

12 SEC. 3. This act provides for a tax levy within the meaning of
13 Article IV of the Constitution and shall go into immediate effect.

14 ~~SECTION 1. It is the intent of the Legislature to amend Chapter~~
15 ~~22 (commencing with Section 2200) of Division 1 of Title 1 of~~
16 ~~the Corporations Code relating to penalties for failing to comply~~
17 ~~with specified requirements of the Corporations Code.~~